



STATE OF MICHIGAN

JENNIFER M. GRANHOLM
GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
LANSING

REBECCA A. HUMPHRIES
DIRECTOR

BILL ANALYSIS

BILL NUMBER: HB 4071

TOPIC: Requires DNR to operate a game donation service, and collect \$1 donations to support the program.

SPONSOR: Representative Hildenbrand

CO-SPONSORS: N/A

COMMITTEE: Conservation, Forestry and Outdoor Recreation

Analysis Done: February 22, 2005

POSITION

The Department cannot support the legislation as written.

PROBLEM/BACKGROUND

Currently, non-profit, volunteer organizations operate a program to collect donations of game which is then distributed to agencies which provide food for the poor.

DESCRIPTION OF BILL

This bill would amend PA 451 of 1994 to require the Department of Natural Resources to establish a program to collect donations of and distribute wild game or other food to food banks, soup kitchens, and other charitable organizations. It also requires the Department to promote the program through the Retail Sales System. The Department may also solicit donations to support the program through the Retail Sales System.

SUMMARY OF ARGUMENTS

Pro

Currently, a similar system is operated through a volunteer organization. Promotion through the license system may improve public awareness and increase donations to help support the system.

Con

This function is already performed through the private sector by non-profit organizations. Requiring the Department to operate the program would increase costs and workload for a function that is not part of its core mission at a time when the Department is facing significant

budget concerns. Although the bill allows the Department to contract with a private, non-profit agency to operate the program, there will be costs associated with staff time required to administer the contract and programming charges for the e-license and Retail Sales Systems to provide for the receipt and accurate tracking of the donations. In addition, the license agents would be required to ask for a donation with each transaction, requiring additional time and effort which would not be compensated through a commission payment. Goodwill would likely be damaged with some agents. Since the network of license agents are not Department employees and currently includes approximately 1600 different locations, it would be impossible for the Department to monitor agents for compliance.

The costs associated with receiving, storing, processing and distribution of game, whether done by the Department or a contractor, are likely to be considerable. While the bill allows for the collection of donations, there is no way to be sure that these donations would be adequate to cover the cost of this operation. There are no other sources of funding available to the Department, other than General Fund, that would be appropriate to support this project. The Department does not have the necessary equipment or expertise to handle food items that will be provided for public consumption. There are liability issues that should be addressed before initiating such a program.

The other important issue is the precedent that this program would establish in using the State Retail Sales System to receive donations for a private agency. This could result in additional requests from other non-profit organizations to use the system for fundraising purposes.

FISCAL/ECONOMIC IMPACT

Are there revenue or budgetary implications in the bill to the --

(a) Department

Budgetary:

The costs associated with operating the Sportsmen Against Hunger program are likely to be considerable. There is not enough detail in the legislation to identify all of the costs, but in the event that donations do not equal the amount required to run the program, it could have a considerable negative impact to the Department's budget.

Revenue:

None that are apparent.

Comments:

None.

(b) State

Budgetary:

None.

Revenue:

None.

Comments:

None.

(c) Local Government

Comments:

None.

OTHER STATE DEPARTMENTS

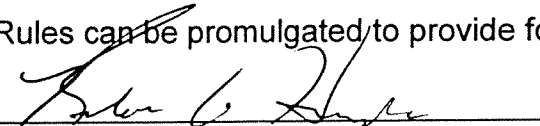
None that are apparent.

ANY OTHER PERTINENT INFORMATION

This section could include general comment on previous or similar bill introductions or similar bill/statutes in other states.

ADMINISTRATIVE RULES IMPACT

Rules can be promulgated to provide for administration of the act.



Rebecca A. Humphries
Director

5/25/05
Date

GCACS/BSS/WLD